## STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

| IN THE MATTER OF: Marc Hubbard and | )<br>1 )                                     | FILE NO. | 13_00134 |
|------------------------------------|--|----------|----------|
|                                    | <u>,                                    </u> | THE ITO. | 12-00124 |
| Sports Dimensions, Inc.            | )  |          |          |
|                                    | )  |          |          |

## ORDER OF PROHIBITION AND FINE

TO RESPONDENT:

Marc Hubbard

620 W Blackstock Road Spartanburg, South Carolina

Sports Dimensions, Inc. 620 W Blackstock Road Spartanburg, South Carolina

WHEREAS, the above-captioned matter came on to be heard on May 12, 2016 pursuant to the Notice of Hearing dated March 21, 2016 filed by Petitioner Illinois Secretary of State, and the record of the matter under the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act") has been reviewed by the Secretary of State or his duly authorized representative.

WHEREAS, the rulings of the Hearing Officer on the admission of evidence and all motions are deemed to be proper and are hereby concurred with by the Secretary of State.

WHEREAS, the proposed Findings of Fact, Conclusions of Law and Recommendations of the Hearing Officer, James L. Kopecky, Esq., in the above-captioned matter have been read and examined.

WHEREAS, the proposed Findings of Fact of the Hearing Officer are correct and are hereby adopted as the Findings of Fact of the Secretary of State:

1. That the Department properly served the Respondents with the Notice of Hearing.

- 2. That the Respondents did not appear and did not file an answer or other responsive pleading.
- 3. That Respondent Marc Hubbard (hereinafter "Hubbard") is an individual whose last known address is 620 W Blackstock Road, Spartanburg, South Carolina.
- 4. That Respondent Sports Dimensions, Inc. (hereinafter "SDI") was at all relevant times a North Carolina corporation and had its principal place of business in South Carolina. SDI is purportedly in the business of promoting concerts.
- 5. That at all relevant times Hubbard was the president of Respondent SDI.
- 6. That Investor A is an Illinois resident and was so during all relevant times.
- 7. That in September of 2009 an individual on behalf of SDI solicited Investor A to invest SDI. In October of 2009 Investor A invested \$23,000 with SDI by way of a promissory note. Investor A was to receive 25% interest payable quarterly. The individual behalf of SDI further represented that the investment was safe and secured by a \$10 Million dollar surety bond. It was not.
- 8. That Respondents did not disclose that on September 26, 2006 the California Department of Corporations issued a Desist and Refrain Order against SDI and Marc Hubbard.
- 9. That Respondents did not disclose that on March 5, 2007 the North Carolina Securities Division issued a Final Order to Cease and Desist against SDI and Marc Hubbard.
- 10. That Respondents did not disclose that on February 23, 2009 the Nevada Secretary of State issued a Cease and Desist Order against SDI and Marc Hubbard.
- 11. That Respondents failed to disclose that Hubbard filed for personal bankruptcy in 2006.

WHEREAS, the proposed Conclusions of Law made by the Hearing Officer are correct and are hereby adopted as the Conclusions of Law of the Secretary of State:

- 1. The Department properly served the Notice of Hearing on Respondents.
- 2. The Notice of Hearing included the information required under Section

1102 of the Code.

- 3. The Secretary of State has jurisdiction over the subject matter pursuant to the Act.
- 4. Because of Respondents' failure to file a timely answer, make a special appearance or other responsive pleading in accordance with Section 1104:
  - (a) the allegations contained in the Notice of Hearing are deemed admitted;
  - (b) Respondents waived their right to a hearing; and
  - (c) Respondents are subject to an Order of Default.
- 5. Because Respondents failed to appear at the time and place set for hearing, in accordance with Section 1109, they:
  - (a) waived their right to present evidence, argue, object or cross-examine witnesses; or
  - (b) otherwise participate at the hearing.
- 6. That the activities described above constitutes the offer and/or sale of a securities and as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
- 7. That Section 5 of the Act provides, <u>inter alia</u>, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
- 8. That Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and that as a result the securities were not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
- 9. That Section 12.A of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
- 10. That Section 12.D of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to fail to file with the Secretary of State any application,

report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.

- 11. That Section 12.F of the Act provides that it shall be a violation of the Act to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which work or tends to work a fraud or deceit upon the purchaser.
- 12. That Pursuant to Section 12.G of the Act, it is a violation of the Act to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.
- 13. That by virtue of the foregoing, the Respondents have violated Sections 12.A, 12.D, 12.F and 12.G of the Act.

## WHEREAS, the Hearing Officer recommended that:

- 1. An Order of Default be entered against each Respondent and that the facts alleged in the Notice of Hearing be deemed admitted.
- 2. An Order be entered against each Respondent in the form of a permanent order of prohibition prohibiting each Respondent from selling or offering for sale securities in the State of Illinois.
- 3. An Order be entered against each Respondent that each be fined in the amount of \$20,000.00.

WHEREAS, the Secretary of State adopts in its entirety the Recommendations made by the Hearing Officer.

## NOW THEREFORE, IT SHALL BE AND IS HEREBY ORDERED:

- 1. That the facts alleged in the Notice of Hearing are deemed admitted.
- That Respondents Marc Hubbard and Sports Dimensions, Inc. are PROHIBITED from selling or offering for sale securities in the State of Illinois.
- 3. That Respondents Marc Hubbard and Sports Dimensions, Inc. are each fined \$20,000.

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ENTERED This day of June 2016

JESSE WHITE
Secretary of State
State of Illinois

Date of Mailing: 10th day of June 20 16

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Illinois Securities Law of 1953, as amended, 815 ILCS 5/1 et seq. (the "Act"). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.

This is a Final Order subject to judicial review pursuant to the Administrative Review Law, 735 ILCS 5/3-101 et seq. and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. I, Sec. 130.1123. Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review. Mailing of this Order to the Respondent or representative of record constitutes service of the Order.

Attorney for the Secretary of State: Gregory J. Solberg 69 West Washington Suite 1220 Chicago, Illinois 60602 (312) 793-9643